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**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**Annual Financial Statements
June 30, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

1/28/09

LASALLE PARISH SHERIFF
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INDEPENDENT AUDITOR'S REPORT

Honorable Scott Franklin, Sheriff
LaSalle Parish Sheriff
Jena, Louisiana

We have audited the accompanying basic financial statements of the governmental activities and the aggregate remaining fund information of LaSalle Parish Sheriff, a component unit of the LaSalle Parish Police Jury, as of and for the year ended June 30, 2008 which collectively comprise the LaSalle Parish Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the LaSalle Parish Sheriff's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The agency funds have been presented on the cash basis of accounting instead of the accrual basis as required by accounting principles generally accepted in the United States of America.

In our opinion, except for the presentation of the agency funds on the cash basis as discussed in the third paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining fund information of the LaSalle Parish Sheriff, as of June 30, 2008 and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2008, on our consideration of the LaSalle Parish Sheriff's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

John R. Vercher PC

August 28, 2008
Jena, Louisiana

LASALLE PARISH SHERIFF

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MANAGEMENTS DISCUSSION AND ANALYSIS

As management of the Sheriff's Department, we offer readers of the LaSalle Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Sheriff's Department for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with the Sheriff's Department's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Governmental Funds

- The assets of the Sheriff's Department exceeded its liabilities at the close of the most recent fiscal year by \$952,672 (*net assets*). This is an \$18,951 increase from last year.
- As of June 30, 2008 the Sheriff Department's cash balance was \$401,491, while investments totaled \$261,523.
- The Sheriff's Department had total revenue of \$5,439,579. This is a \$855,799 increase from last year's revenues.
- The Sheriff's Department had total expenditures of \$5,317,652. This is a \$665,940 increase from last year's expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Sheriff's Department's basic financial statements. The Sheriff's Department's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Sheriff is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

MD&A

Effective, January 1, 2004, the Sheriff adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Sheriff's Department, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

USING THIS ANNUAL REPORT

The Sheriff's Department's annual report consists of financial statements that show information about the Sheriff's Department's funds, the governmental fund.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Reporting the Sheriff's Department's Most Significant Funds

The Sheriff's Department's financial statements provide detailed information about the most significant funds. The Sheriff's Department may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money.

MD&A

Comparative Statement of Net Assets Governmental Funds

The following table represents a condensed Comparative Statement of Net Assets as of June 30, 2008:

	2007	2008	% Change
Assets			
Cash & Investments	\$ 673,359	\$ 663,014	-1.5%
Receivables	112,297	277,771	147.4%
Capital Assets, Net of Accumulated Depreciation	287,692	305,866	6.3%
Total Assets	<u>1,073,348</u>	<u>1,246,651</u>	16.1%
Liabilities & Net Assets			
Accounts, Salaries, & Other Payables	139,627	172,829	23.8%
Current Notes Payable	-0-	63,370	100.0%
Non-Current Notes Payable	-0-	57,780	100.0%
Total Liabilities	<u>139,627</u>	<u>293,979</u>	110.5%
Net Assets			
Invested in Capital Assets, Net of Related Debt	287,692	184,716	-35.8%
Unrestricted	646,029	767,956	18.9%
Total Net Assets	<u>\$ 933,721</u>	<u>\$ 952,672</u>	2.0%

- Receivables increased by \$165,474 or 147.4%. Intergovernmental receivables increased by \$60,631, reimbursement receivables from LCC increased by \$63,353, and other receivables increased by \$369. There was also a sales tax passed during the year giving the Sheriff an additional receivable in the amount of \$41,121.
- Accounts, salaries, & other payables increased by \$33,202 or 23.8%. The main cause for this increase is due to an increase in vendors payable in the amount of \$20,890.
- Total notes payable increased by \$121,150 or 100%. This was the result of the Sheriff's Department making several new car purchases during the year.

MD&A

Comparative Changes in Fund Balances Governmental Funds

The following table reflects the condensed Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances for the year ended June 30, 2008:

	<u>2007</u>	<u>2008</u>	<u>% Change</u>
Total Revenues	\$ 4,383,780	\$ 5,110,085	16.6%
Total Expenditures	(4,651,712)	(5,317,652)	14.3%
Loan Proceeds	200,000	329,494	64.7%
Increase (Decrease) in Fund Balances	<u>(67,932)</u>	<u>121,927</u>	279.5%
Ending Fund Balances	\$ <u>646,029</u>	\$ <u>767,956</u>	18.9%

- Total revenues increased by \$726,305 or 16.6%. The primary reasons for this increase are due to an increase in taxes in the amount of \$332,877 and an increase in prison reimbursements in the amount of \$322,286.
- Total expenditures increased by \$665,940 or 14.3%. The primary reason for this increase is due to an increase in administration in the amount of \$698,237.

MD&A

CAPITAL ASSETS

Capital Assets – Governmental Fund

At June 30, 2008, the Sheriff's Department had \$305,866 invested in capital assets, including furniture and equipment.

Capital Assets at Year-End

	<u>2007</u>	<u>2008</u>
Furniture & Equipment	\$ 920,065	\$ 988,102
Accumulated Depreciation	(632,373)	(682,236)
Total	<u>\$ 287,692</u>	<u>\$ 305,866</u>

Total capital assets, net increased by \$18,174 or 6.3%. The Sheriff's Department made several capital assets purchases during the year totaling \$156,644, and current depreciation expense for the year was \$138,470.

CONTACTING THE SHERIFF DEPARTMENT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Sheriff Department's finances and to show that the Sheriff Department's accountability for the money it receives. If you have questions about this report or need additional information, contact Sherry Hudnall, Chief Civil Deputy at the Sheriff's Department, phone number (318) 992-2151.

Basic Financial Statements

LASALLE PARISH SHERIFF
JENA, LOUISIANA
Statement of Net Assets
June 30, 2008

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash & Cash Equivalents	\$ 401,491
Investments	261,523
Receivables	277,771
Capital Assets (Net of Accumulated Depreciation)	305,866
TOTAL ASSETS	<u>1,246,651</u>
LIABILITIES	
Accounts, Salaries, & Other Payables	172,829
Current Notes Payable	63,370
Non-Current Notes Payable	57,780
TOTAL LIABILITIES	<u>293,979</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	184,716
Restricted For Debt Service	-0-
Unrestricted	767,956
TOTAL NET ASSETS	<u>\$ 952,672</u>

The accompanying notes are an integral part of this statement.

LASALLE PARISH SHERIFF
JENA, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2008

		Program Revenues		Net (Expense) Revenues & Changes in Net Assets
		Fees, Fines, & Charges for Services	Operating Grants & Contributions	
	Expenses			Governmental Activities
Governmental Activities				
Public Safety	\$ (5,087,873)	\$ 475,301	\$ 79,663	\$ (4,532,909)
Interest on Debt	(3,261)	-0-	-0-	(3,261)
Total Governmental Activities	\$ (5,091,134)	\$ 475,301	\$ 79,663	(4,536,170)

General Revenues

Taxes	1,892,090
Intergovernmental	235,658
Reimbursement	2,380,676
Insurance Proceeds	10,278
Interest	7,388
Miscellaneous	29,031
Total General Revenues	4,555,121

Change in Net Assets 18,951

Net Assets - Beginning 933,721
Net Assets - Ending \$ 952,672

The accompanying notes are an integral part of this statement.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA
Balance Sheet, Governmental Funds
June 30, 2008**

	GENERAL FUND
ASSETS	
Cash & Cash Equivalents	\$ 401,491
Investments	261,523
Receivables	<u>277,771</u>
TOTAL ASSETS	<u>940,785</u>
LIABILITIES	
Accounts, Salaries, & Other Payables	<u>172,829</u>
TOTAL LIABILITIES	<u>172,829</u>
FUND BALANCES	
Unreserved, Reported In:	
General Fund	<u>767,956</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 940,785</u>

The accompanying notes are an integral part of this statement.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA
Reconciliation of The Government Funds Balance Sheet
to the Government-Wide Financial Statement of Net Assets
June 30, 2008**

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund Balance, Total Governmental Funds (Statement C)	\$ 767,956
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

	Capital Assets	988,102
	Less Accumulated Depreciation	<u>(682,236)</u>
		305,866

Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.

	Notes Payable	<u>(121,150)</u>
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Net Assets of Governmental Activities (Statement A)	\$ <u>952,672</u>
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The accompanying notes are an integral part of this statement.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA
Statement of Revenues, Expenditures &
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2008**

	GENERAL FUND
REVENUES	
Fees & Charges	\$ 475,301
Taxes	1,892,090
Interest	7,388
Grants	79,663
Intergovernmental	235,658
Prison Reimbursement	2,380,676
Insurance Proceeds	10,278
Miscellaneous	29,031
TOTAL REVENUES	<u>5,110,085</u>
EXPENDITURES	
Administration	4,763,605
Repairs & Maintenance	185,994
Debt Service	211,409
Capital Outlay	156,644
TOTAL EXPENDITURES	<u>5,317,652</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(207,567)</u>
OTHER FINANCING SOURCES (USES)	
Loans	329,494
TOTAL OTHER FINANCING SOURCES (USES)	<u>329,494</u>
NET CHANGE IN FUND BALANCE	121,927
FUND BALANCES-BEGINNING	646,029
FUND BALANCES-ENDING	<u>\$ 767,956</u>

The accompanying notes are an integral part of this statement.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA
Reconciliation of The Statement of Revenues, Expenditures,
& Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2008**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total Governmental Funds, Statement E	\$ 121,927
Governmental funds report capital outlays as expenditure. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlay	156,644
The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Loan Proceeds	(129,298)
Principal Paid	<u>8,148</u>
	(121,150)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Depreciation	<u>(138,470)</u>
Changes in Net Assets of Governmental Activities, statement B	\$ <u>18,951</u>

The accompanying notes are an integral part of this statement.

LASALLE PARISH SHERIFF
JENA, LOUISIANA
Statement of Fiduciary Net Assets
June 30, 2008

	CIVIL FUND	COURT ATTENDANCE	TAX COLLECTION FUND	RAIL BOND FUND	CORRECTION CENTER	FINES & BONDS FUND	GAME LICENSE FUND	MISD. PROBATION FUND	TOTAL
ASSETS									
Cash & Cash Equivalents	\$ 25,695	\$ 1,008	\$ 6,853	\$ 13,348	\$ 34	\$ 68,288	\$ 5,813	\$ 3,904	\$ 124,943
Investments	-0-	-0-	2,591,825	-0-	-0-	-0-	-0-	-0-	2,591,825
TOTAL ASSETS	<u>25,695</u>	<u>1,008</u>	<u>2,598,678</u>	<u>13,348</u>	<u>34</u>	<u>68,288</u>	<u>5,813</u>	<u>3,904</u>	<u>2,716,768</u>
LIABILITIES									
Held for Taxing Bodies									
& Others	25,695	1,008	2,598,678	13,348	34	68,288	5,813	3,904	2,716,768
TOTAL LIABILITIES	<u>25,695</u>	<u>1,008</u>	<u>2,598,678</u>	<u>13,348</u>	<u>34</u>	<u>68,288</u>	<u>5,813</u>	<u>3,904</u>	<u>2,716,768</u>
NET ASSETS	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of this statement.

**Notes To The Basic
Financial Statements**

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the Sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sporting licenses, and fines, costs, and bond forfeitures imposed by the district court.

The Sheriff applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

The Sheriff also has a cooperative endeavor agreement with the State of Louisiana to operate a prison.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the LaSalle Parish Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

The Sheriff is an independently elected official; however, the sheriff is fiscally dependent on the LaSalle Parish Police Jury. The police jury maintains and operates the parish courthouse in which the Sheriff's Department is located and provides funds for equipment and furniture of the sheriff's office. Because the sheriff is fiscally dependent on the police jury, the Sheriff was determined to be a component unit of the LaSalle Parish Police Jury, the financial reporting entity.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain sheriff functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for all or most of the sheriff's general activities. These funds focus on the sources, used, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations of the sheriff. The following are the sheriff's governmental funds:

General Fund – The primary operating fund of the sheriff and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to sheriff policy.

Fiduciary Fund – Fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the sheriff are agency funds. The agency funds account for assets held by the sheriff as an agent for various taxing bodies (tax collections) and or deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, and use the cash basis of accounting, which is not in accordance with accounting principals generally accepted in the United States.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund, of Statements C and E, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures; and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of sheriff operations.

The amounts reflected in the General Fund and Other Funds, of Statements A and B use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and commissions earned from the related state revenue sharing (which is based on population and homesteads in the parish) are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on September 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Intergovernmental revenues are recorded when the Sheriff is entitled to the funds.

Interest income on time deposits is recorded when the time deposits have matured and the income is available. Available means collectible within the current period or soon enough thereafter to pay current liabilities.

Substantially all other revenues are recorded when received.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when their related fund liability is incurred.

Other Financing Sources (Uses)

Proceeds from the sale of fixed assets are recognized when received. Fixed assets acquired through capital leases are recorded as expenditures and other financing sources at the time of acquisition.

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses).

Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Assets (Statement A) and the column labeled Statement of Activities (Statement B) display information about the sheriff as a whole. These statements include all the financial activities of the sheriff. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues

Program revenues included in the column labeled Statement of Activities (Statement B) are derived directly from sheriff users as a fee for services; program revenues reduce the cost of the function to be financed from the sheriff's general revenues.

Reconciliation

The reconciliation of the items reflected in the funds columns to the Statement of Activities (Statement B) and Statement of Net Assets (Statement A) are as follows:

Capital Assets (Net)	\$	305,866
Capital Outlay		156,644
Depreciation		(138,470)
Issuance of Debt		(129,298)
Repayment of Capital Leases (Loans)	\$	8,148

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

E. CASH, CASH EQUIVALENTS, & INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the sheriff may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

F. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the sheriff's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Furniture and fixtures	7-10 Years
Equipment	7-10 Years

H. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

I. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

J. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) AD VALOREM TAXES

The Sheriff levies taxes on real and business personal property located within its boundaries. The Sheriff utilizes the services of the LaSalle Parish Tax Assessor to assess the property values and prepare the Sheriff's property tax roll. The Sheriff bills and collects its own property taxes.

Property Tax Calendar	
Assessment Date	January 1
Levy Date	No Later Than June 1
Tax Bills Mailed	On Or About October 15
Total Taxes Are Due	December 31
Penalties And Interest Are Added	January 1
Lien Date	January 1

The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage	Expiration Date	Assessed Value	Total Tax
Law Enforcement	38.91	38.91	N/A	\$ 45,703,688	\$ 1,778,359

(3) SALES TAX

In October 2007, voters approved a twelve (12) year ½ cent sales tax on all retail sales in LaSalle Parish to fund the operations of the Sheriff's Department.

(4) CASH & (INVESTMENTS – CERTIFICATES OF DEPOSIT IN EXCESS OF 90 DAYS)

Deposits

It is the Sheriff's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The Sheriff's deposits are categorized to give an indication of the level of risk assumed by the Sheriff at year end. The categories are described as follows:

- **Category 1** – Insured or collateralized with securities held by the Sheriff or by its agent in the Sheriff's name.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

- *Category 2* – Collateralized with securities held by the pledging financial institution's trust department or agent in the Sheriff's name.
- *Category 3* – Uncollateralized.

	Concordia Bank & Trust	Bank of Jena	Southern Heritage	Total
Bank Balances	\$ 83,316	\$ 254,876	\$ 3,213,894	\$ 3,552,086
<i>Secured As Follows</i>				
FDIC (<i>Category 1</i>)	83,316	100,000	200,000	383,316
Securities (<i>Category 2</i>)	-0-	1,320,049	3,775,314	5,095,363
Uncollateralized (<i>Category 3</i>)	-0-	-0-	-0-	-0-
Total	\$ 83,316	\$ 1,420,049	\$ 3,975,314	\$ 5,478,679

(5) RECEIVABLES

The receivables of \$277,771 at June 30, 2008, are as follows:

Class Of Receivables	General Fund
Intergovernmental	\$ 107,365
Reimbursement	128,210
Taxes	41,121
Other	1,075
Total	\$ 277,771

Allowance for doubtful accounts is considered not material and is not presented.

(6) CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2008, is as follows:

Governmental Activities	Balance 6-30-07	Additions	Deletions	Balance 6-30-08
Land*	\$ 38,000	\$ -0-	\$ -0-	\$ 38,000
Furniture and Equipment	882,065	156,644	(88,607)	950,102
Less Accumulated Depreciation	(632,373)	(138,470)	88,607	(682,236)
Capital Assets, Net	\$ 287,692	\$ 18,174	\$ -0-	\$ 305,866

* Land in the amount of \$38,000 is not being depreciated.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

(7) PENSION PLAN

Plan Description. Substantially all employees of the LaSalle Parish Sheriff are members of the Louisiana Sheriff's Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All Sheriffs and all deputies who are found to be physically fit, who can earn a least \$400 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 2.5 per cent for each year if total service is at least 12 but less than 15 years, 2.75 per cent for each year if total service is at least 15 but less than 20 years, and 3 per cent for each year if total service is at least 20 years (Act 1117 of 1995 increased the accrual rate by 0.25 percent for all services rendered on or after January 1, 1980). In any case, the retirement benefit cannot exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminated with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, Post Office Box 3163, Monroe, Louisiana 71220, or by calling (318) 362-3191.

Funding Policy. Plan members are required by state statute to contribute 10 percent of their annual covered salary and the LaSalle Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 11 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds are required and available from insurance premium taxes. The contribution requirements of plan members and the LaSalle Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The contributions to the System for the year ending June 30, 2008 was \$130,558 paid by the employer and \$118,689 paid by the employees, which is equal to the required contributions for the year.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

(8) ACCOUNTS PAYABLE

The payables of \$172,829 at June 30, 2008 are as follows:

	General Fund
Vendors Payable	\$ 45,822
Accrued Payroll	118,598
Due To Others	8,409
Total	\$ 172,829

(9) PROTESTED TAXES

The funds held for others in the agency funds at June 30, 2008, as reflected on Statement G, include taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$2,591,825. These funds are held pending resolution of the protest and are accounted for in the Tax Collection Agency Fund.

(10) CAPITAL LEASES

The Sheriff's Department entered three (3) capital leases with Southern Heritage Bank for the purchase of seven (7) cars during the year. The specifics of the debt are as follows:

Date Entered Into Lease		Principal Borrowed	Interest Rate	Monthly Payment Amount	Payments Starting
04/09/08	\$	60,744.00	5.25%	\$ 2,673.05	05/09/08
04/29/08		41,954.00	5.25%	1,841.41	05/09/08
06/11/08	\$	26,600.00	5.25%	\$ 1,170.54	07/09/08

Following is a summary of debt activity:

Balance 6-30-07	Additions	Payments	Balance 6-30-08
\$ -0-	\$ 129,298	\$ (8,148)	\$ 121,150

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

Following is the 5 year debt requirement, including interest payments:

<u>Year Ending</u>	<u>\$60,744 SHB Loan</u>	<u>\$41,954 SHB Loan</u>	<u>\$26,600 SHB Loan</u>	<u>Total</u>
2009	\$ 32,077	\$ 22,097	\$ 14,046	\$ 68,220
2010	26,697	18,512	14,032	59,241
2011	-0-	-0-	-0-	-0-
2012	-0-	-0-	-0-	-0-
2013	-0-	-0-	-0-	-0-
Total	\$ 58,774	\$ 40,609	\$ 28,078	\$ 127,461

(11) SHORT-TERM DEBT

GASB Statement No. 38 requires details about short-term debt activity during the year, even if no short-term debt is outstanding at year-end. Short-term debt results from borrowings characterized by anticipation notes, use of lines of credit, and similar loans.

- a. A schedule of changes in short-term debt, disclosing beginning and end-of year balances, increases, and decreases is as follows:

<u>Beginning Debt</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Debt</u>
<u>\$ -0-</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ -0-</u>

- b. The purpose of the short-term debt was for operating purposes.

(12) CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to taxing bodies and others follows:

	<u>Balance 6-30-07</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6-30-08</u>
Civil Fund	\$ 62,598	\$ 258,638	\$ (295,541)	\$ 25,695
Court Attendance	958	4,900	(4,850)	1,008
Tax Collector Fund	2,501,286	8,384,411	(8,287,019)	2,598,678
Bond/Fines Fund	113,598	215,084	(260,394)	68,288
Game License Fund	5,740	14,580	(14,507)	5,813
Misd. Probation Fund	38,608	378,898	(413,602)	3,904
Correctional Center Fund	14	6,319,927	(6,319,907)	34
Bail Bond Fund	17,517	62,750	(66,919)	13,348
Total	\$ 2,740,319	\$ 15,639,188	\$ (15,662,739)	\$ 2,716,768

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

(13) EXPENDITURES IN EXCESS OF APPROPRIATIONS

The Sheriff's Department overspent its budget by \$245,134 or 5.1%.

Required Supplemental Information

LASALLE PARISH SHERIFF
JENA, LOUISIANA
Governmental Fund-General Fund
Statement of Revenues, Expenses & Changes in Net Assets
Budget & Actual
For the Year Ended June 30, 2008

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>BUDGETARY</u> <u>ACCRUAL</u> <u>BASIS</u>	<u>VARIANCES</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Fees & Charges	\$ 376,400	\$ 411,000	\$ 475,301	\$ 64,301
Taxes	1,540,000	1,839,000	1,892,090	53,090
Interest	4,000	9,000	7,388	(1,612)
Grants	50,000	102,000	79,663	(22,337)
Intergovernmental	191,900	255,000	235,658	(19,342)
Prison Reimbursement	1,850,000	2,272,000	2,380,676	108,676
Insurance Proceeds	-0-	-0-	10,278	10,278
Miscellaneous	5,000	39,000	29,031	(9,969)
TOTAL REVENUES	<u>4,017,300</u>	<u>4,927,000</u>	<u>5,110,085</u>	<u>183,085</u>
EXPENDITURES				
Administration	3,749,000	4,365,000	4,763,409	(398,409)
Repairs & Maintenance	270,000	313,000	185,994	127,006
Interest Expense	-0-	7,000	3,261	3,739
Depreciation	10,000	161,000	138,470	22,530
TOTAL EXPENDITURES	<u>4,029,000</u>	<u>4,846,000</u>	<u>5,091,134</u>	<u>(245,134)</u>
CHANGE IN NET ASSETS	<u>\$ (11,700)</u>	<u>\$ 81,000</u>	18,951	<u>\$ (62,049)</u>
NET ASSETS-BEGINNING			933,721	
NET ASSETS-ENDING			<u>\$ 952,672</u>	

The accompanying notes are an integral part of this statement.

Other Reports

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

LaSalle Parish Sheriff
Jena, Louisiana

We have audited the financial statements of the governmental activities and the aggregate remaining fund information of the LaSalle Parish Sheriff, a component unit of the LaSalle Parish Police Jury, as of and for the year ended June 30, 2008, which collectively comprise the LaSalle Parish Sheriff's basic financial statements and have issued our report thereon dated August 28, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the LaSalle Parish Sheriff's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the LaSalle Parish Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the LaSalle Parish Sheriff's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the LaSalle Parish Sheriff's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the LaSalle Parish Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the LaSalle Parish Sheriff's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the LaSalle Parish Sheriff's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

MEMBER
—AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS—
SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

Compliance

As part of obtaining reasonable assurance about whether the LaSalle Parish Sheriff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*, except as shown below and discussed in the Schedule of Findings and Questioned Cost.

2008-C-1 Budget Variances

The LaSalle Parish Sheriff's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the LaSalle Parish Sheriff's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management and the Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties; however, this document is public record and its use is not limited.

John R. Vercher PC

August 28, 2008
Jena, Louisiana

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
FOR THE YEAR ENDED JUNE 30, 2008**

We have audited the basic financial statements of the LaSalle Parish Sheriff, as of and for the year ended June 30, 2008 and have issued our report thereon dated August 28, 2008. We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2008 resulted in a qualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ☐ Yes ☒ No Other Conditions ☐ Yes ☒ No

Compliance

Compliance Material to Financial Statements ☒ Yes ☐ No

b. Federal Awards (Not-Applicable)

Internal Control

Material Weaknesses ☐ Yes ☐ No Reportable Conditions ☐ Yes ☐ No

Type of Opinion On Compliance Unqualified ☐ Qualified ☐
For Major Programs Disclaimer ☐ Adverse ☐

Are the finding required to be reported in accordance with Circular A-133, Section .510(a)?

☐ Yes ☐ No

c. Identification Of Major Programs:

CFDA Number (s)

Name Of Federal Program (or Cluster)

Dollar threshold used to distinguish between Type A and Type B Programs: \$ _____

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133? ☐ Yes ☐ No

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)
FOR THE YEAR ENDED JUNE 30, 2008**

**Section II Financial Statement Findings Required To Be Reported In Accordance With GAGAS
Summary of Auditor's Reports**

Reference	Description of Finding	Recommendation
2008-C-1	<p><u>Budget Variances</u></p> <p>The Sheriff's Department under budgeted its general fund expenditures for the year ended June 30, 2008 by more than 5%. The Budget Act requires that governments amend their budgets when revenues fail to meet budgeted revenues or expenditures exceed the budget by more than 5%.</p>	<p>When revenues fail to meet budgeted revenues or expenditures exceed the budget by more than 5%, the budget should be amended.</p>

Section III Internal Control

No items to report.

Section IV Federal Awards Findings and Questioned Costs

Not applicable.

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION FOR CURRENT YEAR AUDIT FINDINGS
JUNE 30, 2008**

Reference	Description of Finding	Corrective Action Planned	Contact Person	Anticipated Completion Date
2008-C-1	Budget Variances	The Sheriff's Department will begin monitoring actual revenues and expenditures in relation to budgeted revenues and expenditures so that the budget can be amended when revenues fail to meet budgeted revenues or expenditures exceed the budget by 5% or more.	Sherry Hudnall	June 30, 2009

**LASALLE PARISH SHERIFF
JENA, LOUISIANA**

MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the LaSalle Parish Sheriff, Jena, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2007.

2007-C-1 Inadequate Pledged Securities (Resolved)

Finding: For the year end June 30, 2007, the Sheriff's Bank of Jena cash balance was \$472,637, which is more than their FDIC and pledged collateral book value amounts.

Sheriff's Corrective Action: The Sheriff contacted the bank in order to increase pledged collateral amounts.